

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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CASCADE YARNS, INC.,

Movant,

KNITTING FEVER, INC. and
KFI, INC.,

Plaintiffs,

-against-

ORDER

05 CV 1065 (DRH) (WDW)

COATS HOLDING, LTD., COATS PLC,
COATS GMBH, COATS OPTI NV, COATS
NORTH AMERICA CONSOLIDATED, INC.,
and WESTMINSTER FIBERS, INC.,

Defendants.

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HURLEY, Senior District Judge:

Plaintiffs Knitting Fever, Inc. and KFI, Inc. (collectively, “Plaintiffs”) commenced this action in Nassau County Supreme Court seeking damages from defendants Coats Holding, Ltd., Coats PLC, Coats GMBH, Coats Opti NV, Coats North America Consolidated, Inc., and Westminster Fibers, Inc. (collectively, “Defendants”) based on an alleged breach of contract. On February 25, 2005, the matter was removed to this Court on the basis of diversity jurisdiction. In their Answer, Defendants asserted a counterclaim against Plaintiffs seeking damages for breach of contract and unjust enrichment. The parties proceeded to discovery and entered into a Confidentiality Order, which was endorsed by the Court on May 19, 2005. (*See* Docket No. 26.) The parties ultimately filed a Stipulation of Discontinuance on September 25, 2007 and the case was closed on September 26, 2007.

On July 28, 2010, non-party Cascade Yarns, Inc. (“Cascade”) filed a motion to intervene

in this matter for the limited purpose of seeking modification of the Confidentiality Order. On July 29, 2010, the Court denied Cascade's motion to intervene without prejudice and with the right to renew upon compliance with the Court's Individual Practice Rules. Cascade re-filed its fully-briefed motion to intervene on November 12, 2010 and on November 17, 2010, the Court referred Cascade's motion to Magistrate Judge William D. Wall for report and recommendation. On December 15, 2010, Judge Wall issued a Report and Recommendation recommending that Cascade's motion to intervene be granted. Judge Wall further recommended that to the extent Cascade intended its motion to seek modification of the Confidentiality Order, a ruling on such motion be deferred pending the parties' submission of further briefing. More than fourteen days have elapsed since electronic service of the Report and Recommendation, and no party has filed any objections to it.

Pursuant to 28 U.S.C. § 636(b) and Federal Rule of Civil Procedure 72, this Court has reviewed the Report and Recommendation for clear error, and finding none, now concurs in both its reasoning and its result. Accordingly, the Court adopts the December 15, 2010 Report and Recommendation of Judge Wall as if set forth herein. The parties and Cascade are directed to confer with each other and submit a proposed briefing schedule for Cascade's motion to modify the Confidentiality Order to Judge Wall for endorsement. Cascade's forthcoming motion shall be made directly to Judge Wall.

SO ORDERED.

Dated: Central Islip, New York
January 10, 2011

/s/
Denis R. Hurley
United States District Judge